

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1504-01
Bill No.: HB 703
Subject: Counties: Housing, Recorder of Deeds, Fees
Type: Original
Date: March 21, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Mo. Housing Trust	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>All</u> State Funds	Unknown	Unknown	Unknown

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development- Missouri Housing Development Commission** assume that they would be able to administer any additional funds that would be deposited into the Missouri Housing Trust Fund with existing staff. Officials could not estimate the amount of additional revenue that would be generated from the increase in fees.

In response to almost identical legislation of this session the following counties submitted the following fiscal impact statements:

The **Greene County Recorder of Deeds** stated that this proposal would generate an increase in fees of approximately \$112,000 annually due to the increase in recording fees. Officials assume no administrative impact to their office.

The **Marion County Recorder of Deeds** assumes there would be an increase in the amount of fees collected. Officials estimate an increase of approximately \$29,000 annually for housing. Officials stated there would be some insignificant administrative impact to their office.

The **St. Charles County Recorder of Deeds** stated there would be no fiscal impact to their office.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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MISSOURI HOUSING TRUST FUND

<u>Income</u> to Mo. Housing Trust Fund from Recorder of Deeds Fees of either \$2 or \$5. *	Unknown	Unknown	Unknown
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*** The Mo. Housing Trust Fund would only receive the total fee of \$5 should a county opt not to establish a program of assistance to homeless persons, otherwise the Mo. Housing Trust Fund would receive \$2 per instrument filed with the State's County Recorder of Deeds.**

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

COUNTY HOMELESS FUND

Income to County Homeless Program
 from \$3 recording fee

Unknown

Unknown

Unknown

Cost to County Homeless Program
 from providing homeless programs

(Unknown)

(Unknown)

(Unknown)

**ESTIMATED NET EFFECT TO
 LOCAL GOVERNMENT ***

\$0

\$0

\$0

*** Oversight assumes annual cost would not exceed income resulting in either an annual positive fund balance or a zero balance. Counties that do not establish a homeless program would not receive the \$3 recording fee. The total fee of \$5 would go to the Mo. Housing Trust Fund as provided for. St. Louis County would receive additional revenues as provided for in Section 67.1063.3 that could only be used for homeless assistance, or programs as set forth in Section 67.1062.**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Current statute authorizes first classification charter counties to have a homeless assistance program funded by a \$3 fee on filings with the Recorder of Deeds, subject to voter approval. This bill increases the fee to \$5 and removes the voter approval requirement. In St. Louis County, an additional user fee of \$5 will be collected on filings with the Recorder of Deeds; \$2 of the fee will be forwarded to the County Executive for distribution to agencies that renovate or rehabilitate housing for sale at market rates.

The bill requires counties that have an established homeless assistance program to use \$3 of the fee to finance the program; the remaining \$2 is to be deposited in the Missouri Housing Trust Fund. Counties that do not have a homeless assistance program must transmit the entire \$5 fee to the state treasury for deposit in the Missouri Housing Trust Fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development- Missouri Housing Development Commission
Greene County Recorder of Deeds
Marion County Recorder of Deeds
St. Charles County Recorder of Deeds

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive script.

Jeanne Jarrett, CPA
Director
March 21, 2001